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Fortune lost to Rewald, man claims

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Honolulu, Hawaii — A former CIA officer broke down on the witness stand Friday when he described how his aged mother lost \$104,000 to accused swindler Ronald R. Rewald.

John C. Kindschi, 58, of Madison, Wis., choked back tears when he said his mother, 86, of Platteville, Wis., was legally blind and living on Social Security.

Kindschi regained his composure and glared at Rewald, a former Milwaukee businessman, across the federal courtroom.

Rewald, on trial on 98 counts of fraud, perjury and tax evasion, didn't flinch under Kindschi's angry stare.

Kindschi said he and his wife, Helen, lost \$187,000 that they invested in Rewald's companies. Kindschi said he thought he was "on a roll" with Rewald until July 30, 1983, when Rewald attempted suicide and his companies collapsed.

"We've given up any hope" of recovering the money, Kindschi said.

Kindschi and his predecessor as chief of the CIA Honolulu's field office denied Rewald's charge that they and the CIA created Rewald's company and instructed him to lie to obtain investors' money.

Kindschi joined the company Bishop, Baldwin, Rewald, Dillingham & Wong after retiring from the CIA in 1980.

He acknowledged that he had written a brochure, some economic reports and a press release about the company, at Rewald's direction. But Kindschi said Rewald supplied the substance of the documents, while Kindschi only "styled" them for more "public relations" value.